

4 April 2016

GATEWAY LIFESTYLE GROUP SUCCESSFULLY COMPLETES \$120 MILLION PLACEMENT AND ENTITLEMENT OFFER

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Gateway Lifestyle Group (Gateway) is pleased to announce the successful completion of the final component of its fully underwritten placement (Placement) to raise \$40.2 million and 2 for 15 entitlement offer (Entitlement Offer) to raise \$79.8 million, as announced to the market on Wednesday, 9 March 2016.

The retail component of the Entitlement Offer (Retail Entitlement Offer) under which eligible retail securityholders were able to take up their pro rata entitlement and apply for additional new securities closed on Wednesday, 30 March 2016, raising approximately \$20.4 million at the offer price of \$2.40 per new security (Offer Price).

Key highlights:

- Retail Entitlement Offer successfully completed, raising approximately \$20.4 million
- Due to the level of oversubscriptions, Gateway received aggregate demand in excess of the total number of new securities available under the Retail Entitlement Offer
- Consequently, 100% of the new securities available under the Retail Entitlement Offer have been allocated to Gateway's existing eligible retail securityholders

Under the Retail Entitlement Offer, eligible retail securityholders were able to apply for additional new securities beyond their entitlement up to a maximum of 50% of their entitlement (Additional New Securities). Applications for Additional New Securities exceeded the size of the Retail Entitlement Offer shortfall, with valid applications for Additional New Securities scaled back accordingly on a proportional basis. Application monies received for Additional New Securities above 50% of an eligible retail securityholder's entitlement will not be accepted. Application monies received in respect of Additional New Securities that are not allocated due to scale back will be refunded. Final allocations are subject to reconciliation and an audit process that is currently being completed by Gateway's share registry.

Commenting on the outcome of the Placement and Entitlement Offer, Trent Ottawa, CEO said "The oversubscribed Retail Entitlement Offer and 98% take-up in the Institutional Entitlement Offer, as well as overwhelming support for the Placement and shortfall securities under the Institutional Entitlement Offer, is a resounding endorsement of Gateway's strategy and outlook. We thank all of our investors who participated in the Placement and Entitlement Offer."

New securities to be issued under the Retail Entitlement Offer are expected to be allotted on Wednesday, 6 April 2016 and commence trading on a normal settlement basis on Thursday, 7 April 2016.

Additional Information

Additional information regarding the Acquisitions and Entitlement Offer is contained in the investor presentation released to the ASX on 9 March 2016.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should seek appropriate professional advice before making any investment decision.



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